

Fisheries income and expenditure (2017/18) – information paper

LFGs/LFAGs (June 2018)

Rob Evans (Evidence, Policy & Permitting Directorate)

rob.evans@cyfoethnaturiolcymru.gov.uk

1.0 Purpose

The purpose of this paper is to:

- provide LFGs with high level information on our Fisheries budget out-turn for the financial year 2017/18

2.0 Background

2.1 Natural Resources Wales (NRW) has a specific fisheries duty under Section 6(6) of the Environment Act 1995 to ‘maintain, improve and develop’ freshwater and migratory fisheries in Wales.

2.2 Welsh Government guidance on how we deliver these duties is:

- to ensure the conservation and maintain the diversity of freshwater and migratory fish and conserve their aquatic environment,
- to enhance the contribution migratory and freshwater fisheries make to the economy, particularly in remote rural areas and in areas with low levels of income,
- to enhance the social value of fishing as a widely available and healthy form of recreation.

2.3 Our Fisheries role encompasses protection of fish stocks and provision of a service to anglers paid for from rod licence income. Powers to meet these duties are contained primarily in the Salmon & Freshwater Fisheries Act 1975 (SAFFA), the Water Resources Act 1991, Eel Regulations (England & Wales) 2009 and the Keeping and Introduction of Fish Regulations (Wales) 2014.

2.4 There are specific powers relating to licensing of angling by rod and line and netting in Section 25 of SAFFA and which include provisions for operating a licensing system for rods and nets and setting duties for them.

3.0 Fisheries funding principles

- 3.1 Income from rod licence is treated by Government as a ‘hypothecated tax’ and must be spent on the activity from which it was raised.
- 3.2 There is a general principle, considered to be binding, that income from coarse and non-migratory trout licences is not used to fund work on salmon and sea trout fisheries and vice versa. Therefore, any shortfall in income to support agreed expenditure on migratory fisheries is met by Welsh Government Grant- in -Aid (GiA).
- 3.3 Rod licence income should not be used to assess, restore or mitigate environmental damage arising from other activities.

4.0 Funding Fisheries Activities

- 4.1 In 2017/18 we received just under £4 million funding for Fisheries work in Wales (Table 1), comprising £1.1 million from the sale of rod licences and the remainder coming from Welsh Government GiA (£2.2 million), Water Resources Charges (£0.3 million including Alternative Mitigation costs), EU funding for monitoring (£0.15 million) plus some miscellaneous receipts.

Table 1 Fisheries income and expenditure budget

	Number of Staff	Cost (£ million)
Direct fisheries staff	56	2.3
Indirect staff	15	0.6
Total staff	71	2.9
Direct non-staff fisheries costs		0.6
Indirect non-staff costs		0.5
Total non-staff costs		1.1
Total Fisheries costs		£4.0

- 4.2 Income is mainly spent on enforcement of fisheries legislation, checking rod and net licences, anti-poaching activities, investigating fish mortalities from disease and pollution, monitoring, habitat improvements, research, providing advice (within NRW and externally) and liaising with a wide range of stakeholders.

Some of these activities are funded by the rod licence income, others through GiA and some are funded through a combination of sources (for example, Enforcement Officers may undertake rod licence checking funded by rod licence income and also anti-poaching activities funded by GiA).

- 4.3 There are currently 56 full-time staff directly undertaking Fisheries work in NRW. An additional 15 non-Fisheries staff are funded from the Fisheries budget to provide support or ‘Enabling’ services including Legal, Communications, Finance and Information Technology.

4.4 Direct and Indirect non-staff costs include the cost of running and maintaining buildings, vehicles, computer equipment and annual EA and Cefas service agreements charges.

5.0 Rod licence sales

5.1 The rod licence sales and administration service in Wales is managed on our behalf by the Environment Agency (EA) under a formal agreement. All income raised from sales in Wales is forwarded by the EA to NRW (minus standard administration charges, approximately £85,000 in 2017/18).

5.2 Licence sales have been declining in recent years in Wales from 57,000 licences in 2012 to 53,000 in 2016, a reduction of 7% and a reduction in income of £120,000 over the same period (see Tables 1 and 2 below).

5.3 To help reverse the decline in licence sales new categories of licences as well as new duties were introduced in 2017 including a free Junior licence, a three-rod coarse licence and a 365-day licence (see Appendix 1). In addition, the requirement to register for a free junior licence was changed in April 2018 from 12-16 to 13-16 (a result of changes to Data Protection legislation).

5.4 Due to the changes in rod licence structure in 2017 it is no longer possible to make direct comparisons with previous years. We are working with the EA on a methodology which will allow us to factor in sales of 365-day licences as well as the three-rod licence. Because of the duty increases introduced in 2017 rod licence income increased by 9% (£91,000) compared with the previous year. Most of the additional income (£80,000) arose from Coarse and Trout licence sales.

Table 2 Number of licences sold in Wales (2013-2017)

	2012	2013	2014	2015	2016	2017
Trout & coarse	50,079	49,759	48,883	49,080	47,734	42,500
Salmon & sea trout	6,795	6,317	5,749	5,660	5,514	5,400
Total	56,874	56,076	54,632	54,740	53,248	47,900

Table 3 Income from sales of rod licences in Wales (2013-2017*)

	2012	2013	2014	2015	2016	2017
Trout & coarse	£817,078	£792,075	£773,258	£780,443	£760,165	£840,250
Salmon & sea trout	£348,331	£324,487	£299,740	£292,383	£282,355	£293,568
Total	£1,165,409	£1,116,562	£1,072,998	£1,072,826	£1,042,520	£1,133,818

5.3 The decline in the number of junior licence sold in Wales (-46% between 2012 and 2016) has been of particular concern (Table 4), however, the introduction of a free junior licence in April 2017 (previously £5 for 12-16 year olds) resulted in a 40% increase in numbers in 2017 (1,000 additional licences) compared with the previous year, but remains below the 2012 total (4,738).

Table 4 Junior licence sales in Wales (2012-2017)

	2012	2013	2014	2015	2016	2017 (free)
Trout & coarse	4084	3472	2,950	2,635	2,244	2,814
Salmon & sea trout	654	533	378	340	308	738
Total	4,738	4,005	3,328	2,975	2,552	3,552

5.5 Increased rod licence income in 2017 allowed us to set aside £50,000 to deliver a number of Coarse, Trout and Eel (CTE) fishery improvement projects. These projects were delivered by Area Sustainable Fisheries Project (SFP) Officers. Based on projected income for 2018/19 we plan to allocate a further £50,000 this year for similar project work. There is a risk, however, that the cold spring together with the football World Cup this year will impact sales. We will have a more accurate sales forecast soon. Please contact your local SFP officer for further information on planned project work (contact details in Appendix 2 below).

6.0 Summary

6.1 Both GiA and income from rod licence sales have been declining in recent years. New duties and licence products introduced in 2017 have resulted in an increase in income received by NRW, some of which has been used to deliver several Coarse and Trout fisheries improvement projects across Wales. We hope to continue to do this in future years.

6.2 The increase in junior licence uptake has been positive and we hope to build on this in the future working with stakeholders. We also plan to review, with stakeholders, our and others role in the marketing of fisheries and the promotion of angling in Wales.

Appendices 1 and 2

Appendix 1 Licence duties and structure (2017-2020)

	Type of licence	2017-2020
Coarse & trout	Full	£30
	Full (concessionary) senior and disabled	£20
	Short term 1 day	£6
	Short term 8 day	£12
	Junior (13 – 16yrs)	Free
	3 rod licence	£45
	3 rod licence (concessionary)	£30
Salmon & sea trout	Full	£82
	Full (concessionary) senior and disabled	£54
	Short term 1 day	£12
	Short term 8 day	£27
	Junior (aged 13-16)	Free

Licences can now be purchased quickly and easily on-line at:

<https://get-fishing-licence.service.gov.uk/>

Please be aware there are web sites offering a service to buy a licence on your behalf, but these do charge a service fee and have nothing to do with NRW or EA.

Appendix 2 SFP Officer contact details

Katrina Marshall (N) Katrina.marshall@cyfoethnaturiolcymru.gov.uk

Jason Jones (Mid) Jason.jones@cyfoethnaturiolcymru.gov.uk

Steve Carter (SW) Stephen.carter@cyfoethnaturiolcymru.gov.uk

Michael Clyde (SE) Michael.clyde@cyfoethnaturiolcymru.gov.uk